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2007 NOV -5 P 4: 33

AZ CORP COMMISSION
DOCKET CONTROLArizona Corporation Commission
DOCKETED

NOV 05 2007

9 Attorneys for Northern Sunrise Water Company
 10 and Southern Sunrise Water Company

DOCKETED BY

BEFORE THE ARIZONA CORPORATION COMMISSION

11 IN THE MATTER OF THE APPLICATION OF
 12 NORTHERN SUNRISE WATER COMPANY FOR A
 13 CERTIFICATE OF CONVENIENCE AND
 14 NECESSITY TO PROVIDE WATER UTILITY
 15 SERVICE IN COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20453A-06-0247

16 IN THE MATTER OF THE APPLICATION OF
 17 SOUTHERN SUNRISE WATER COMPANY FOR A
 18 CERTIFICATE OF CONVENIENCE AND
 19 NECESSITY TO PROVIDE WATER UTILITY
 20 SERVICE IN COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20454A-06-0248

21 IN THE MATTER OF THE JOINT APPLICATION
 22 OF NORTHERN SUNRISE WATER COMPANY
 23 AND SOUTHERN SUNRISE WATER COMPANY
 24 FOR THE APPROVAL OF SALE AND TRANSFER
 25 OF WATER UTILITY ASSETS, AND
 26 CANCELLATION OF CERTIFICATES OF
 CONVENIENCE AND NECESSITY, FOR
 MIRACLE VALLEY WATER COMPANY,
 COCHISE WATER COMPANY, HORSESHOE
 RANCH WATER COMPANY, CRYSTAL WATER
 COMPANY, MUSTANG WATER COMPANY,
 CORONADO ESTATES WATER COMPANY, AND
 SIERRA SUNSET WATER COMPANY, LOCATED
 IN COCHISE COUNTY, ARIZONA.

DOCKET NOS. W-20453A-06-0251
 W-20454A-06-0251
 W-01646A-06-0251
 W-01868A-06-0251
 W-02235A-06-0251
 W-02316A-06-0251
 W-02230A-06-0251
 W-01629A-06-0251
 W-02240A-06-0251

NOTICE OF FILING

23 On September 26, 2007 Northern Sunrise Water Company ("Northern Sunrise" or
 24 "Company") made a filing in response to the August 7, 2007 Staff Report regarding the
 25 Company's proposed modifications to the capital improvements attached as Exhibit B to
 26 Decision No. 68826 (June 29, 2006). The Company submitted WestLand Resources, Inc.'s

1 "Comment Response Memo" for the Mustang and Crystal water systems, which: 1) provided
2 water use data; 2) confirmed that the Mustang and Crystal systems are in fact interconnected; and
3 3) made additional recommendations regarding capacity improvements (ultimately approved by
4 Staff). At that time of the Company's filing, documentation regarding the Sierra Sunset and
5 Coronado water systems was not yet available.

6 Northern Sunrise hereby submits this Notice of Filing in the above-referenced matter.
7 Attached hereto as **Exhibits 1 and 2** are Comment Response Memos for the Sierra Sunset and
8 Coronado systems, respectively.

9 DATED this 5th day of November, 2007.

10 FENNEMORE CRAIG, P.C.

11
12 By: _____

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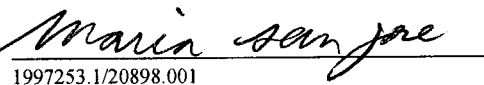
1 **ORIGINAL and 17 copies filed**
2 this 5th day of November, 2007 to:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 **COPY hand delivered**
8 this 5th day of November, 2007 to:

9 Steve Olea, Assistant Director
10 Utilities Division
11 Arizona Corporation Commission
12 1200 W. Washington St.
13 Phoenix, AZ 85007

14 Marlin Scott, Jr.
15 Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington St.
18 Phoenix, Arizona 85007

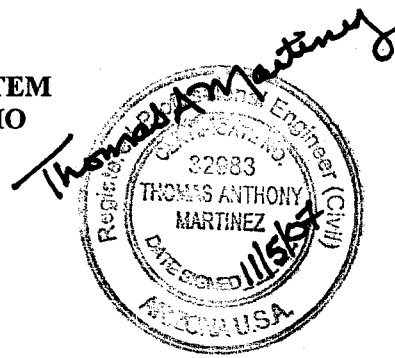
19 
20 1997253.1/20898.001

EXHIBIT

1

**SIERRA SUNSET WATER SYSTEM
COMMENT RESPONSE MEMO**

To: Docket Control
From: WestLand Resources, Inc.
Date: November 5, 2007
Project No. 1428.01 A 8000



In response to ACC comments dated August 7, 2007, WestLand Resources, Inc., offers the following responses:

1. *When evaluating the "Demand Evaluation Criteria" for all the water systems, the Companies did not use the actual demand data from each system. According to the Companies, the actual data the Companies had recorded was limited and not sufficient. Instead, the Companies adopted the Bella Vista South water demand data and its peaking factors to analyze each water system and its plant facilities. It is Staff's practice that when evaluating existing water systems, a Water Use Data Sheet showing the actual customer demand for that system should be used to evaluate plant capacities.*

Response: The well production data available to date has been recorded on a standard Water Use Data Sheet and is attached. All infrastructure sizing is based upon said data sheets.

2. *The Companies stated that it is "possible" the Sierra Sunset System is interconnected with the adjacent water system(s). The Companies also indicated that the Crystal and Mustang water systems "may already" be interconnected. As a result, the actual water demand for each of these water systems is not known and plant facilities cannot be adequately sized.*

Response: This system was evaluated for the stand-alone condition as well as combined with Coronado, and the recommendation for this water system is to provide a new, adequately-sized interconnection between the two systems, such that the two water systems can work together as a single system along with the adjacent Babocomari Development.

3. *The Companies provided lost and unaccounted for water data. The water loss data exceeds the targeted 10% limitation for unaccounted water in six of the seven water systems. According to the Companies, to reduce these losses, the Companies have implemented programs to locate un-metered services and install meters. The possible system interconnections would also affect the water loss percentages.*

Response: Algonquin recognizes that the lost and unaccounted for water percentages exceeds industry standards. New metering equipment and meter reading protocol has been implemented to identify un-metered areas, interconnects and meter accuracy in an effort to improve said percentages.

Water Use Summary

The Water Use Data Sheet tabulating this system's well production data for the most recent 11 months is attached. The average day of the peak month production (ADPM) is 18,260 gallons per day (gpd) based on the 11 months of data available, and Peak Day Demand (PDD) is calculated to be 17 gallons per minute (gpm). Maximum instantaneous demand for the number of units served in the Sierra Sunset system is 74 gpm. ADPM for the adjacent Coronado system is 71,500 gpd and the PDD is 66 gpm.

Recommendations

Considering the restrictive size of the Sierra Sunset water plant site and proposed connection to the Coronado system, it is recommended that the systems be interconnected and improvements for Sierra Sunset be combined with those for Coronado. The combined water system facilities are proposed to be constructed at a new site and be combined with the proposed improvements for the new Babocomari development adjacent to Coronado. Combining improvements at one site will be more cost-effective than constructing the facilities as a retrofit to the existing Coronado site. The proposed Babocomari site will have 345,000 gallons of storage, a 600 gpm well, and a 1,975 gpm booster station. The portion of that facility that will be provided for the existing Sierra Sunset and Coronado system capacity requirements is approximately 93,750 gallons of storage and 130 gpm of booster station capacity. The existing well at Sierra Sunset is sufficient to meet demand.

SCH:emr

WATER USE DATA SHEET

NAME OF COMPANY	Sierra Sunset
ADEQ Public Water System No.	02-055

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED
December 2006	26	-	546	-
January 2007	26	-	566	-
February 2007	26	-	474	-
March 2007	26	-	518	-
April 2007	23	-	362	-
May 2007	29	170	268	-
June 2007	32	245	292	-
July 2007	31	242	201	-
August 2007	29	182	161	-
September 2007	25	166	146	-
October 2007	27	124	165	-

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
19,000 (proposed*)	1	55-807772	20

Other Water Sources in Gallons per Minute	None
Fire Hydrants on System	No
Total Water Pumped Last 13 Months (Gallons in Thousands)	3,658 (11 months)

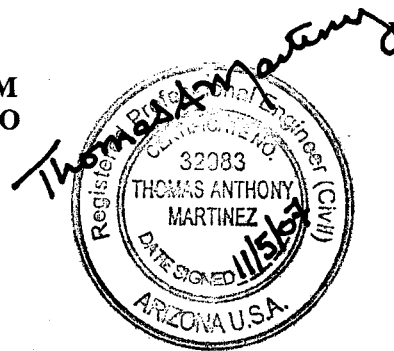
* Proposed storage to be part of Babocomari reservoir.

EXHIBIT

2

**CORONADO WATER SYSTEM
COMMENT RESPONSE MEMO**

To: Docket Control
From: WestLand Resources, Inc.
Date: November 5, 2007
Project No. 1428.01 A 8000



In response to ACC comments dated August 7, 2007, WestLand Resources, Inc., offers the following responses:

1. *When evaluating the "Demand Evaluation Criteria" for all the water systems, the Companies did not use the actual demand data from each system. According to the Companies, the actual data the Companies had recorded was limited and not sufficient. Instead, the Companies adopted the Bella Vista South water demand data and its peaking factors to analyze each water system and its plant facilities. It is Staff's practice that when evaluating existing water systems, a Water Use Data Sheet showing the actual customer demand for that system should be used to evaluate plant capacities.*

Response: The well production data available to date has been recorded on a standard Water Use Data Sheet and is attached. All infrastructure sizing is based upon said data sheets.

2. *The Companies stated that it is "possible" the Sierra Sunset System is interconnected with the adjacent water system(s). The Companies also indicated that the Crystal and Mustang water systems "may already" be interconnected. As a result, the actual water demand for each of these water systems is not known and plant facilities cannot be adequately sized.*

Response: This system was evaluated for the stand-alone condition as well as combined with Sierra Sunset, and the recommendation for this water system is to provide a new, adequately-sized interconnection between the two systems, such that the two water systems can work together as a single system along with the adjacent Babocomari Development.

3. *The Companies provided lost and unaccounted for water data. The water loss data exceeds the targeted 10% limitation for unaccounted water in six of the seven water systems. According to the Companies, to reduce these losses, the Companies have implemented programs to locate un-metered services and install meters. The possible system interconnections would also affect the water loss percentages.*

Response: Algonquin recognizes that the lost and unaccounted for water percentages exceeds industry standards. New metering equipment and meter reading protocol has been implemented to identify un-metered areas, interconnects and meter accuracy in an effort to improve said percentages.

Water Use Summary

The Water Use Data Sheet tabulating this system's well production data for the most recent 11 months is attached. The average day of the peak month production (ADPM) is 71,500 gallons per day (gpd) based on the 11 months of data available, and Peak Day Demand (PDD) is calculated to be 66 gallons per minute (gpm). Maximum instantaneous demand for the number of units served in the Coronado system is 261 gpm. ADPM for the adjacent Sierra Sunset system is 18,260 gpd and the PDD is 17 gpm.

Recommendations

It is recommended that the Coronado and Sierra Sunset systems be interconnected and improvements for the two systems be combined. The combined water system facilities are proposed to be constructed at a new site with the proposed improvements for the new Babocomari development adjacent to Coronado. Combining improvements at one site will be more cost-effective than constructing the facilities as a retrofit to the existing Coronado site. The proposed Babocomari site will have 345,000 gallons of storage, a 600 gpm well, and a 1,975 gpm booster station. The portion of that facility that will be provided for the existing Coronado and Sierra Sunset system capacity requirements is approximately 93,750 gallons of storage and 130 gpm of booster station capacity. Existing available well capacity is sufficient to meet demand.

SCH:emr

WATER USE DATA SHEET

NAME OF COMPANY	Coronado
ADEQ Public Water System No.	02-013

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED
December 2006	196	1,111	not available	-
January 2007	196	893	1,212	-
February 2007	196	1,187	1,233	-
March 2007	196	879	1,513	-
April 2007	200	1,266	1,585	-
May 2007	198	1,183	2,004	-
June 2007	196	1,050	2,145	-
July 2007	194	1,612	1,860	-
August 2007	195	1,423	2,019	-
September 2007	192	1,580	1,605	-
October	190	1,061	1,555	-

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
72,000 (proposed*)	1	55-807773	110

Other Water Sources in Gallons per Minute	None
Fire Hydrants on System	No
Total Water Pumped Last 13 Months (Gallons in Thousands)	16,731 (11 months)

* Proposed storage to be part of Babocomari reservoir.